

TITLE PAGE

MANAGEMENT OF COMMUNITY BANKS IN
ENUGU STATE OF NIGERIA:
PROBLEMS AND PROSPECTS

EFOBI, PETRONILLA IJEOMA (MRS)
(PG/MBA/93/18123)

A THESIS REPORT SUBMITTED TO THE SCHOOL
OF POST-GRADUATE STUDIES, UNIVERSITY OF NIGERIA,
IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE
AWARD OF THE DEGREE - MASTERS OF BUSINESS
ADMINISTRATION (MBA) IN MANAGEMENT.

UNIVERSITY OF NIGERIA, ENUGU CAMPUS
OCTOBER 1995.

Community banks are self - sustaining financial institutions established to provide credit, banking and other financial services to their clients. In addition, they are meant to exploit to the fullest, their advantageous position of local knowledge and trust to mobilize rural savings for the development of the respective communities where they are located.

The first community bank in Nigeria commenced business in December 1990 and by the first of August 1994 the number of licensed community banks in the country has increased to 992. There are 27 of such banks operating here in Enugu state. Having now operated for about five years, some of the banks have been criticised because of poor management. This study therefore aimed at appraising how community banks are managed to achieve the objectives for which they were established. Efforts were also made to find out some of the factors that tend to militate against the effective management of these banks and the prospects of the banks in the nation's future economy.

Issues examined were based on the perception of community banks' staff working in both urban and rural based banks. In order to pursue the objectives of the

study, seven hypotheses were formulated. Other previous works relating to the issue under study were reviewed and a questionnaire was designed to elicit the responses of community bank workers to the issues being examined.

The questionnaire was administered on the respondents and data collected were analyzed using t-test. Percentages were also used where they helped make the data results more explicit.

From the results of the analysis, the researcher's expectations were not realized. However, it was possible to discover that efforts are made to effectively organize community banks activities. Based on the conclusions, some recommendations were made to ensure that community banks activities will continue to be effectively managed to fulfil the objectives which informed their establishment in Nigeria.